

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1170 – HB 1091

March 26, 2013

**SUMMARY OF ORIGINAL BILL:** Prohibits proprietary institutions authorized under the Postsecondary Education Authorization Act of 1974 to confer academic or specialized degrees unless the institution has been approved to offer such degrees by an accrediting body recognized by the U.S. Department of Education. Requires proprietary institutions to use the same academic degree names as those commonly accepted and approved by postsecondary institutions in Tennessee. Requires proprietary institutions authorized under the Act to have a process to consider acceptance and transfer of credits from another such institution. Requires the process developed to consider credit acceptance and transfer on the basis of applicability and quality of academic work, rather than solely upon the accreditation of the institution from which the credits are being transferred.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005439):** Deletes all language after the enacting clause. Authorizes proprietary institutions, authorized under the Postsecondary Education Authorization Act of 1974, that have been approved by a regional or national accrediting body, to confer academic degrees that use the degree name approved by their accreditor. Authorizes such institutions that are currently conferring degrees using traditional academic names to continue to do so if an exception is granted by the Executive Director of the Tennessee Higher Education Commission (THEC).

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

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Assumptions for the bill as amended:

- THEC will grant exceptions as needed without a significant increase in state expenditures.
- Any increase in expenditures to change the degree names offered by proprietary institutions will be borne by the institution.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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